MT LEGISLATIVE HISTORY

Chapter 447 19 81

Bill H 58 S _____ Original bill & hist. ✓C

H. Committee on Local Govt.	S. Committee on Local Govt
Hearing Date(s) JAN 15 ✓C	Hearing Date(s) MAR 27 ✓C
_____ ___C	_____ ___C
_____ ___C	_____ ___C
_____ ___C	_____ ___C
Date Out JAN 15 ✓C	MAR 26 ✓C

Did this bill originate in an interim committee? ___Yes ___No

Committee _____ Report _____

HOUSE BILL NO. 58

INTRODUCED BY KESSLER

BY REQUEST OF THE STUDY COMMITTEE ON ANNEXATION LAWS

IN THE HOUSE

January 6, 1981	Introduced and referred to Committee on Local Government.
January 16, 1981	Committee recommend bill do pass as amended. Report adopted.
January 19, 1981	Bill printed and placed on members' desks.
	Second reading, do pass.
January 20, 1981	Correctly engrossed.
	Third reading, passed. Transmitted to Senate.

IN THE SENATE

January 21, 1981	Introduced and referred to Committee on Local Government.
March 9, 1981	Committee recommend bill be concurred in. Report adopted.
March 10, 1981	Second reading, pass consideration.
	On motion taken from second reading and referred to Committee on Local Government. Motion adopted.
March 26, 1981	Committee recommend bill be concurred in as amended. Report adopted.

March 28, 1981	Second reading, concurred in.
March 31, 1981	On motion rules suspended. Bill allowed to be transmitted on 71st legislative day. Motion adopted.
	Third reading, concurred in as amended. Ayes, 50; Noes, 0.

IN THE HOUSE

April 1, 1981	Returned from Senate with amendments.
April 6, 1981	Second reading, amendments concurred in.
April 9, 1981	Third reading, amendments concurred in. Ayes, 85; Noes, 11. Sent to enrolling.
	Reported correctly enrolled.

HOUSE BILL NO. 58

INTRODUCED BY KESSLER

BY REQUEST OF THE STUDY COMMITTEE ON ANNEXATION LAWS

A BILL FOR AN ACT ENTITLED: "AN ACT RELATING TO THE PROVISION OF SERVICES BY MUNICIPALITIES TO NEWLY ANNEXED AREAS; AMENDING SECTIONS 7-2-4205, 7-2-4305, 7-2-4506, AND 7-2-4610, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 7-2-4205, MCA, is amended to read:

"7-2-4205. Provision of services. In all cases of annexation under current Montana law, services will be provided according to a plan provided by the municipality as specified in ~~Title 7, chapter 2, part 47~~ 7-2-4732, except:

(1) as provided in 7-2-4736; or

(2) where otherwise mutually agreed upon by the municipality and the freeholders of the area to be annexed."

Section 2. Section 7-2-4305, MCA, is amended to read:

"7-2-4305. Provision of services. In all cases of annexation under current Montana law, services will be provided according to a plan provided by the municipality as specified in ~~Title 7, chapter 2, part 47~~ 7-2-4732, except:

(1) as provided in 7-2-4736; or

(2) where otherwise mutually agreed upon by the municipality and the freeholders of the area to be annexed."

Section 3. Section 7-2-4506, MCA, is amended to read:

"7-2-4506. Provision of services. In all cases of annexation under current Montana law, services will be provided according to a plan provided by the municipality as specified in ~~Title 7, chapter 2, part 47~~ 7-2-4732, except:

(1) as provided in 7-2-4736; or

(2) where otherwise mutually agreed upon by the municipality and the freeholders of the area to be annexed."

Section 4. Section 7-2-4610, MCA, is amended to read:

"7-2-4610. Provision of services. In all cases of annexation under current Montana law, services will be provided according to a plan provided by the municipality as specified in ~~Title 7, chapter 2, part 47~~ 7-2-4732, except:

(1) as provided in 7-2-4736; or

(2) where otherwise mutually agreed upon by the municipality and the freeholders of the area to be annexed."

-End-

INTRODUCED BILL

HB 58

Approved by Comm.
on Local Government

HOUSE BILL NO. 58

INTRODUCED BY KESSLER

BY REQUEST OF THE STUDY COMMITTEE ON ANNEXATION LAWS

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(2) where otherwise mutually agreed upon by the municipality and the freeholders of the area to be annexed."

Section 3. Section 7-2-4506, MCA, is amended to read:

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(1) as provided in 7-2-4736; or AND

(2) where otherwise mutually agreed upon by the municipality and the freeholders of the area to be annexed."

Section 4. Section 7-2-4610, MCA, is amended to read:

"7-2-4610. Provision of services. In all cases of annexation under current Montana law, services will be provided according to a plan provided by the municipality as specified in ~~Title 7, chapter 2, part 47~~ 7-2-4732, except:

(1) as provided in 7-2-4736; or AND

(2) where otherwise mutually agreed upon by the municipality and the freeholders of the area to be annexed."

-End-

SECOND READING

HOUSE BILL NO. 58

INTRODUCED BY KESSLER

BY REQUEST OF THE STUDY COMMITTEE ON ANNEXATION LAWS

A BILL FOR AN ACT ENTITLED: "AN ACT RELATING TO THE PROVISION OF SERVICES BY MUNICIPALITIES TO NEWLY ANNEXED AREAS; AMENDING SECTIONS 7-2-4205, 7-2-4305, 7-2-4506, AND 7-2-4610, MCA."

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Section 3. Section 7-2-4506, MCA, is amended to read:

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~~(1) as provided in 7-2-4736;~~ or AND

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Section 4. Section 7-2-4610, MCA, is amended to read:

"7-2-4610. Provision of services. In all cases of annexation under current Montana law, services will be provided according to a plan provided by the municipality as specified in ~~Title 7, chapter 2, part 47~~ 7-2-4732, except:

~~(1) as provided in 7-2-4736;~~ or AND

(2) where ~~otherwise~~ mutually agreed upon by the municipality and the freeholders of the area to be annexed."

-End-

THIRD READING

HOUSE BILL NO. 58

INTRODUCED BY KESSLER

BY REQUEST OF THE STUDY COMMITTEE ON ANNEXATION LAWS

A BILL FOR AN ACT ENTITLED: "AN ACT RELATING TO THE PROVISION OF SERVICES BY MUNICIPALITIES TO NEWLY ANNEXED AREAS; AMENDING SECTIONS 7-2-4205, 7-2-4305, 7-2-4506, AND 7-2-4610, MCA."

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(1) as provided in 7-2-4736; or AND

(2) IN FIRST-CLASS CITIES, where otherwise mutually agreed upon by the municipality and the freeholders of the area to be annexed."

Section 2. Section 7-2-4305, MCA, is amended to read:

"7-2-4305. Provision of services. In all cases of annexation under current Montana law, services will be provided according to a plan provided by the municipality as specified in ~~Title 7, chapter 2, part 47~~ 7-2-4732, except:

(1) as provided in 7-2-4736; or AND

(2) IN FIRST-CLASS CITIES, where otherwise mutually agreed upon by the municipality and the freeholders of the area to be annexed."

Section 3. Section 7-2-4506, MCA, is amended to read:

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(1) as provided in 7-2-4736; or AND

(2) IN FIRST-CLASS CITIES, where otherwise mutually agreed upon by the municipality and the freeholders of the area to be annexed."

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"7-2-4610. Provision of services. In all cases of annexation under current Montana law, services will be provided according to a plan provided by the municipality as specified in ~~Title 7, chapter 2, part 47~~ 7-2-4732, except:

(1) as provided in 7-2-4736; or AND

(2) IN FIRST-CLASS CITIES, where otherwise mutually agreed upon by the municipality and the freeholders of the area to be annexed."

-End-

REFERENCE BILL

March 26, 1981

SENATE STANDING COMMITTEE REPORT
(Local Government)

That House Bill No. 58 be amended as follows:

1. Page 1, line 17.
Following: "(2)"
Insert: "in first class cities,"

2. Page 1, line 25.
Following: "(2)"
Insert: "in first class cities,"
3. Page 2, line 8.
Following: "(2)"
Insert: "in first class cities,"
4. Page 2, line 16.
Following: "(2)"
Insert: "in first class cities,"

In The House

March 31, 1981 Returned from Senate
not concurred.

Local Government COMMITTEE

1981 Legislature

Bill No.	Subject Matter	Date In	Sponsor	Hearing Date	Committee Action	Date Out
HB 57	To delete certain restrictions on the annexation of wholly surrounded land.	Jan. 7	Azzara	Tues. 2/3 SRS Auditorium 12:30 p.m.	DO PASS AS AMENDED 2/10	2/11
HB 58	Relating to provision of services by municipalities to newly annexed areas.	Jan. 7	Kessler	Jan. 15	Do Pass As Amended	1-15-81
HB 59	To eliminate the distinction between rights of resident and non-resident freeholders in matters of annexation.	Jan. 7	Fabrega	Jan. 15	DO PASS	1/20/81
HB 111	To Increase the permissible levied amount available for fire protection	Jan. 8	Lund	Jan. 13	Do Pass	1-15-81
HB 112	Providing for broadened statutory methods by which cities, towns, and counties can assess tax for payment of bonds.	Jan. 8	Lund	Jan. 13	As Amended DO PASS	1/20/81
HB 140	A bill for an Act Entitled: "An act to adopt procedures for Local Government Initiatives; to require approval as to form of petitions and preparation of ballot statements."	Jan. 12	Eudaily	Jan. 20	DO PASS	1/20/81

HOUSE BILL 58

CHAIRMAN BERTELSEN opened the hearing on HB 58 by calling on REP. GERALD KESSLER, sponsor.

REP. KESSLER introduced the bill to the Committee. The bill is a result of the Interim Study Committe on annexation and relates to the provision of services by municipalities to newly annexed areas. It ties any annexation procedures to the laws already on the books in the Planned Community Development Act which specifies plans the city must follow to show they are going to provide the various services to the areas they annex. I feel this bill is a strong protection for areas being annexed.

PROPONENTS for HB 58:

ROYAL JOHNSON, Deputing Mayor of Billings, favors HB 58 and his written testimony is attached to these minutes.

R. A. ELLIS, Montana Volunteer Firemen's Association; ART KORN, Montana State Volunteer Firemen's Association; DAVE FISHER, Montana Volunteer Firemen's Association; BRUCE SUENRAM, Missoula Rural Fire District; DAN MIZNER, Montana League of Cities and Towns; VERN ERICKSON, Montana State Firemen's Association of Missoula; and JAN DOLAN, City of Great Falls, all support HB 58.

OPPONENTS TO HB 58:

BILL ROMINE represented the Montana Solid Waste Contractors Association. The Montana Solid Waste Contractors Association is definitely opposed to HB 58 as written. He commented that if the word "or" is deleted from each section and replaced by "and", the Association would go along with the bill. Mr. Romine's written testimony is attached to these minutes.

VESTER WILSON, Rural Disposal Service, Hamilton, Montana, agrees with Mr. Romine and will support HB 58 if amended as Mr. Romine proposed.

Since there were no further opponents, REP. KESSLER closed the hearing on House Bill 58.

REP. KESSLER: This bill, in no way, is meant to put private contractors out of business as Mr. Romine implies. My understanding of this bill is that a city can provide the services to newly annexed areas if they want it. If they don't want the service, they can continue to do business with private carriers. I feel the people annexed have the right to chose who their carrier should be. The option does remain with the freeholder.

QUESTIONS:

MR. ROMINE: Mr. Kessler, are you saying you don't want the freeholders to make a decision for the first five years on whether they want the city or a private carrier to provide garbage service?

REP. KESSLER: Yes, for the first five years.

REP. ANDREASON: What is being repealed in Section 2 of the Montana Codes?

DEBBIE SCHMIDT: The sections being repealed are just a codification.

There being no further questions, CHAIRMAN BERTELSEN opened the Hearing on HOUSE BILL 55.

HOUSE BILL 55 Sponsor JAY FABREGA introduced the bill to the Committee. He stated HB was introduced at the request of the Study Committee on annexation laws. You are looking at a package of bills. House Bill 55 is merely a house cleaning unit. The title itself simply says that if you have gone through the process and strictly followed the rules, the land is considered annexed even though it was not meant to be. There is no challenge as everyone presumed the land had been annexed, the taxes were paid and it was properly shown in the maps for a period of seven years.

PROPONENTS for HB 55

DAN MIZNER, Montana League of Cities and Towns, supports HB 55. The irregularity regarding property supposedly annexed for many years was brought out at a committee meeting and it was felt the law should be changed to clarify the matter. Seven years seemed to be a good length of time to use.

DAVE FISHER, Montana Volunteer Firemen's Association of Missoula; ART KORN, Secretary-Treasurer of the Montana State Volunteer Firemen's Association; BRUCE SUENRAM, and VERN ERICKSON all of Missoula had no objections and support HB 55.

OPPONENTS TO HB 55

There we no opponents to HB 55.

HOUSE BILL 59

SPONSOR OF HB 50, REP. JAY FABREGA, announced the bill makes a small but significant change. The bill addresses all the codification changes. Line 21 and 22 read "cities of the first class" and has now been changed to "municipalities". Page 2, line 12 read: "city council of a city of the first class", but now reads; "municipal governing body", etc. The bill eliminates an inequity that resident freeholders have more rights over their property than non-resident freeholders.

A corporation was considered a non-resident freeholder even though it was right there using the land. Is this a property right or a residency right? If you pay taxes, it is a property right. If you are not paying taxes for residency, whether you use it or not, the taxes go on. EXPLANATION: For the residency part, you could own property in Missoula and live in Billings, but you are still

tax land, including improvements. I would like that specified rather than using the broad language.

REP. WALDRON: There are a number of different methods that could be utilized. I agree with Rep. Dussault. I make a motion that the above language be changed.

REP. KITSELMAN: This particular section was specific in talking about irrigation projects and dams. I think the interpretation of our disposition to county commissioners seemed to be far more broad than the statute allows.

REP. MATSKO: I feel the intent is clear according to the testimony.

REP. DUSSAULT: I object to moving the bill without a proposed amendment. I move that the researcher be directed to draft substitute language for HB 112. The motion was seconded by Rep. Vinger.

QUESTION: The question was called for and the motion carried unanimously.

HOUSE BILL 58

CHAIRMAN BERTELSEN requested action on HB 58 (the garbage bill).

REP. HANNAH: I move that HB 58 be passed; seconded by Rep. Hannah.

REP. WALDRON: I want to make clear why the garbage people are complaining. Under current law they must be allowed to continue garbage service for five years. Under this bill, as I understand it, the people who are being annexed can say "no, we prefer to have the garbage service of the City and want it right away", so that section of the law would not apply. By the same token, if an area wanted to be annexed and the City was reluctant but finally agreed to annex them, could the city demand that they furnish their garbage service? Since that would be a small item, the freeholders would probably agree. That is what the garbage people are complaining about.

REP. KESSLER: With this system, doesn't the five year stipulation still remain? If I had a solid waste business and you annexed a certain section, wouldn't I have five years to serve that area before I'd have to give it up?

ANSWER: This is the way the law now stands, as passed last session. If we pass this law, we'll change the law in that it's not guaranteed In other words, if the city annexed a particular area, whether or not garbage service would be provided by the private carrier would be up to the freeholders who were annexed.

REP. WALDRON: I feel there should be some protection for the independent carrier as he could be run out of business tomorrow if the annexation took place. What would happen to his equipment?

REP. KESSLER: This is a philosophical question. If we pass this law, we are taking away the choice of the freeholder to determine what type of garbage service he wants. It might be that he wants the city to serve him. You're right. It would be tough on the independent carrier.

REP. WALDRON: We should not take away the guarantee to the private carrier that he continue his service for five years. He needs time to make other plans.

REP. KESSLER: If you feel the State has the right to dictate to the individual freeholder that he must continue service with a particular company, whether he likes it or not, then I guess you are right.

REP. MATSKO: There is a provision under the mutually agreed plan that exempts the freeholder from the plan where the carriers are given the five year option. The city can mandate. They can say, as a final condition, you will accept our garbage service. The freeholder then has the option of choosing whether they wish to be annexed. We have to allow some protection to the private carrier to stop the city from mandating their garbage service as part of the plan for annexation.

REP. KESSLER: Rep. Matsko is correct, but we must stipulate that might be a condition which the city places on the freeholders if they want to be part of the city.

ANSWER: You are right.

REP. WALDRON: If that is a condition, the carrier should be protected against mandated conditions, or I can't support this bill.

REP. KESSLER: We are not arguing about a big issue. The question is whether or not we should allow the solid waste contractor to continue to provide service for five years. I don't think it would hurt the substance of the bill if we amend it to keep the current provision. He asked the researcher how to do that so we could have an amendment now.

STAFF RESEARCHER LEE HEIMAN said if the "or" was replaced with an "and" in each of the four places where the "or" is included, then it would read "according to a plan except: (1) as provided in 7-2-4 and in each of the four sections.

REP. KESSLER moved that House Bill 58 be amended as follows:
Page 1, line 16, following 7-2-4736, strike "or" and insert "and"
Page 1, line 24, following 7-2-4736, strike "or" and insert "and"
Page 2, line 7, following 7-2-4736, strike "or" and insert "and"
Page 2, line 15, following 7-2-4736, strike "or" and insert "and"

REP. HANNAH wondered why the law allowed the solid waste people to have five years to deal with the freeholders?

REP. KESSLER: I don't think that was the plan of the bill when it was drafted. It was probably an oversight.

REP. HANNAH: If it was not the intent to tamper with the five-year period, then I will second the motion and call for the question. Mr. Romine was asked if he'd be satisfied with HB 58 if we changed the words "or" to "and" as specified in the amendment, and he said he would be satisfied.

REP. KESSLER asked for the question.

CHAIRMAN BERTELSEN: Is anyone opposed to the amendment to HB 58? As only one member was opposed, the Chairman said the amendment carried.

CHAIRMAN BERTELSEN called for a vote on HB 58, as amended. All members voted "aye", with the exception of Rep. Gould who voted "no". Motion carried and HB 58 received a DO PASS AS AMENDED.

CHAIRMAN BERTELSEN: Due to the lateness of the day, the remaining bills will be held until Tuesday, January 20 to be discussed in Executive Session.

The meeting was adjourned at 2:30 p.m.

Verner L. Bertelsen
CHAIRMAN VERNER BERTELSEN

hbm

VISITORS' REGISTER

HOUSE Local Gov COMMITTEE

BILL H.B. 58 Date

SPONSOR Kessler

NAME	RESIDENCE	REPRESENTING	SUPPORT
William C. Romine	Helena	Mont. Solid Waste Contractors	
K. D. Ellis	1755 Silver Helena MT	Mont. State Council Firemen Assoc.	
Pat Kohn	1214 E. Lyndale	West Gallatin Assoc.	
[illegible]	[illegible]	[illegible]	X
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	2521 S. Cooper Helena	Montana Rural Ed.	X
DENNIS TAYLOR	HELENA	CITY OF HELENA	X
[illegible]	[illegible]	[illegible]	X
[illegible]	[illegible]	[illegible]	[illegible]
L. Erickson	Missoula	Montana State Firemans Assoc	X

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR LONGER FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

NAME ART KORN BILL NO. H.B. 54-55-56

ADDRESS [illegible] DATE [illegible]

WHOM DO YOU REPRESENT [illegible]

SUPPORT _____ OPPOSE _____ AMEND _____

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments: NO OBJECTIONS

CS-34
1-79

Form CS-34
1-79

NAME _____ BILL No. _____

ADDRESS _____ DATE _____

WHOM DO YOU REPRESENT _____

SUPPORT _____ OPPOSE _____ AMEND _____

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

STATEMENT PRESENTED BY DEPUTY MAYOR ROYAL JOHNSON, PRESENTED TO THE HOUSE COMMITTEE ON LOCAL GOVERNMENT, ON JANUARY 15, 1981, REGARDING HOUSE BILLS 58, 59, 54 AND 55 DEALING WITH ANNEXATION.

My name is Royal Johnson, Deputy Mayor of Billings, Montana, and I appear before you today on behalf of the City Council of Billings. The City of Billings has been very active in the study that took place by the Interim Committee reviewing Montana's annexation laws during the past two years. In particular, we appreciated the Committee holding one of the meetings in Billings on this important study.

The City of Billings supports HOUSE BILLS 54, 55 and 58. We also support part of the provisions in HOUSE BILL 59. I will make a comment on each bill.

HOUSE BILL 54 clarifies the procedure that we think is part of the law already in that it allows the governing body of a city to select the statute and procedure that we will use for annexation, in those instances where more than one of the annexation procedures is applicable to a particular annexation. In Billings, we have been following this procedure and this would clarify this issue. There certainly needs to be a separate procedures to annex areas entirely surrounded by the City as opposed to areas on the outskirts of the City that are in early stages of development.

HOUSE BILL 55 simply would allow tracts of land that have been annexed and been treated as annexed property for 7 years even though there may have been some minor problems in the procedure used by that City. It seems to me that this is a housekeeping law that should be adopted.

HOUSE BILL 58 requiring cities to adopt a plan that would indicate the services that would be provided by the City and the time table for these services. The City of Billings thinks there should be a plan to provide all the municipal services to an area before it is annexed. Billings, as is the case in most other cities, feels the improvements to serve a particular area have to be funded by that area either

through special improvement bonds or private financing which places the responsibility back on the affected land owners. Except in rare instances, the revenues derived by a city from a newly annexed area are not sufficient to cover the operating costs of those services for several years. There certainly needs to be a plan acceptable to both the city and the land owners if we are to have the orderly development of our cities within our financial capacility. We support HOUSE BILL 58.

HOUSE BILL 59, which would eliminate the distinction between rights of resident and non-resident freeholders, and eliminates the distinction between the class of cities. The City of Billings feels that the annexation problems and needs of all cities are similar and only differ in scale and, therefore, the procedure should be the same in all classes of cities. On the other hand, we do take strong exception to the provision that gives non-resident freeholders the same right of protest as resident freeholders. In many instances, the land owned around cities is owned by absentee owners, in some cases, corporations, in some other states (particularly Minnesota and Colorado). It doesn't seem reasonable that we should give these non-residents the right to control the orderly growth of our cities and towns. The provision that has been in existance in first class cities since 1925 is working well and has been upheld by the courts, and we urge you to reject this section of HOUSE BILL 59.

I thank you for the opportunity to appear before you.

m (55-14

79

CO

NAME William L. Romine BILL NO. H.B. 58

ADDRESS Box 1691 Helena DATE 1-15-81

WHOM DO YOU REPRESENT Mont. Solid Waste Contractors Association

SUPPORT ____ OPPOSE X AMEND ____

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments: Testimony left with secretary

HOUSE BILL 58.

TESTIMONY:

Mr. Chairman, and members of the Committee, I represent the Montana Solid Waste Contractors Association. We oppose passage of House Bill 58. Under the present law, as amended in the last legislative session, if a municipality annexes additional areas which are receiving garbage and solid waste disposal service by a private carrier authorized under the Public Service Commission, the municipal may not compete or provide similar service to the area for five (5) years following annexation unless it can be shown to the Public Servi Commission that the existing carrier is unable or refuses to provide adequate service to the annexed area. After the expiration of five years, the municipality may provide such service only if a majority of the residents of the annexed area request in writing that such service be provided by the municipality.

House Bill 58 is an attempt to by-pass the present law, which is Section 7-2-4736. The necessity of the present law was adequately demonstrated in the last legislative session. The equipment utilized by private garbage collectors is expensive, and becomes more expensi each year. If a municipality may annex an area and then take over the service of removal of garbage and solid waste, the private carri is going to be forced out of business. He will be forced to compete with a governmental agency which is utilizing tax money or license fees to subsidise the same service. Since he is required under the terms of his permit from the Public Service Commission to provide

service in the area, but part of his area was pre-empted by the city, he is placed in a very precarious situation. The present law allows him five years to depreciate his equipment.

In fact, the last legislature amended the then existing law by extending the time period from three to five years, and further providing that after five years it took a majority of the landowners to request that the city take over the services. This bill, however, would by-pass that requirement.

First of all, it does away with the five-year non-competition clause automatically. If a private carrier is continuously faced wit the possibility that he will be forced out of business as the result of annexation, with little or no opportunity to amortize and depreci his equipment, he is going to be very reluctant to purchase new equipment or to otherwise update his business. The result will be that private service for areas in and around cities and towns which have not been annexed will deteriorate.

Secondly, the government should not compete with private busi except in those areas where private business cannot provide the serv This is a prime example of an area where services can and are being provided by the private sector, and in most instances the services are superior to government services and the cost to the customer is

Each time we put a garbage collector out of business, we lose the tax basis he and his employees provide. His equipment is no lor on the tax rolls, his profit is no longer taxed, and this in turn reduces the other taxes that are paid by private industry.

Aside from by-passing the present law concerning the collect of garbage and solid waste, House Bill 58 also by-passes the existi law concerning the requirement that cities, when they annex, set up

plans for police protection, fire protection, streets and street maintenance, water mains, sewer lines, curbs, gutters and so forth. For a number of sessions the legislature has determined that expansi should be orderly, and that services should be provided for initiall rather than at some future date. Many laws have been passed to insu that the types of services referred to above are in place before an area becomes overgrown with little or no planning. The land owners wishing to be annexed may forego types of services required under t present law for fire and police protection and so forth, merely to annexed for a particular reason. They may hope that the services that are now required to be set out at the time of annexation will provided in the future, but they may learn to their sorrow that the agreed to annexation without plans for proper services to be provid

All in all, the Association opposes passage of House Bill 58 and urges the Committee to give an unfavorable recommendation.

William L. Romine

WILLIAM L. ROMINE

STANDING COMMITTEE REPORT

January 15, 19 81

MR. SPEAKER

We, your committee on LOCAL GOVERNMENT

having had under consideration HOUSE Bill No. 58

A BILL FOR AN ACT ENTITLED: "AN ACT RELATING TO THE PROVISION OF SERVICES BY MUNICIPALITIES TO NEWLY ANNEXED AREAS; AMENDING SECTIONS 7-2-4205, 7-2-4305, 7-2-4506, AND 7-2-4610, MCA."

Respectfully report as follows: That HOUSE Bill No. 58

1. Amend Page 1, line 16.
Following: "7-2-4736;"
Strike: "or"
Insert: "and"

2. Amend Page 1, line 24.
Following: "7-2-4736;"
Strike: "or"
Insert: "and"

3. Amend Page 2, line 7.
Following: "7-2-4736;"
Strike: "or"
Insert: "and"

4. Amend Page 2, line 15.
Following: "7-2-4736;"
Strike: "or"
Insert: "and"

AS AMENDED

DO PASS

Local Government Committee Chairman.

STATE PUB. CO.
Helena, Mont.

47TH LEGISLATIVE SESSION

COMMITTEE ON LOCAL GOVERNMENT

HOUSE BILL NO.	ENTERED COMM.	DATE CONSIDERED	OUT OF COMM.	DO PASS DATE	DO NOT PASS DATE	DO PASS AS AMEND. DATE	BE CONCURRED IN DATE	BE CONC. IN AS AMENDED DATE	BE NOT CONCURRED IN DATE
3	01/14/81	03/03/81	03/03/81				03/03/81		
33	02/14/81	03/24/81	03/26/81					Amended on 03/26/81	03/24/81
54	01/26/81	03/07/81	03/07/81				03/07/81		
55	01/21/81	03/07/81	03/07/81				03/07/81		
56	02/12/81	03/24/81	03/24/81						03/24/81
57	03/02/81	03/24/81	03/24/81						03/24/81
58	01/21/81	03/07/81	03/07/81				03/07/81		
58	Returned 03/10/81		03/26/81					03/26/81	
59	01/26/81	03/10/81	03/26/81						03/26/81
132	03/23/81	03/24/81	Tabled						
140	01/26/81	03/03/81	03/03/81				03/03/81		
150	01/31/81	03/03/81	03/03/81				03/03/81		
179	03/03/81	03/18/81	03/24/81				03/24/81		
192	03/02/81	03/14/81	03/17/81				03/17/81		
192	Returned 03/20/81	03/26/81	03/26/81				03/26/81		
202	01/29/81	03/05/81	03/05/81				03/05/81		

(Use Separate Sheet for Senate, House Bills, and Resolutions)

Dan Mizner of the League of Cities and Towns supports the bill It clarifies the law. If they follow this, people will know what is going on.

Dennis Taylor, city of Helena, said this bill clearly outlines the procedures they have been following since last session. T just makes it clear. It is a restatement of what they did las session.

Margaret Davis of the League of Women Voters supports the bill.

Al Thelen of the city of Billings supports the bill.

There were no opponents of the bill appearing before the commit

Representative Hurwitz made brief closing remarks.

There were no questions from the committee.

CONSIDERATION OF HOUSE BILL NO. 55:

AN ACT PRESCRIBING CONDITIONS UNDER WHICH LAND IS PRESUMED TO BE ANNEXED AND MAY BE SO RECORDED.

Representative Fabrega, District No. 44, said this bill was introduced at the request of the interim committee on annexatio It sets forth conditions under which land is presumed to be annexed and recorded.

Dennis Taylor, city of Helena, supports the bill.

Dan Mizner of the League of Cities and Towns said there are areas where it happened in the cities. They have been paying taxes for years and someone decided to sell their property and found out they were not officially in the city. He supports the bill.

Margaret Davis of the League of Women Voters supports the bill.

There were no opponents of the bill appearing before the committ

There were no questions from the committee.

CONSIDERATION OF HOUSE BILL NO. 58:

AN ACT RELATING TO THE PROVISION OF SERVICES BY MUNICIPALITIES TO NEWLY ANNEXED AREAS.

Representative Kessler, District No. 66, was the chief sponsor of the bill. It is a noncontroversial bill that guarantees

provision of services to cities where they have areas that have been annexed. The city cannot annex an area without providing services.

Al Thelen of the city of Billings supports the bill. It is an instance of good planning. It is important for the city to understand.

Dan Mizner of the League of Cities and Towns supports the bill.

Margaret Davis of the League of Women Voters supports the bill. This is good planning and a way to inform the public.

There were no opponents of the bill appearing before the committe

Representative Kessler made brief closing remarks.

There were no questions from the committee.

CONSIDERATION OF HOUSE BILL NO. 353:

AN ACT TO REQUIRE 25 SIGNATURES FOR THE NOMINATING PETITION FOR A TRANSPORTATION DISTRICT BOARD MEMBER.

Senator Berg, co-sponsor of the bill, presented the bill to the committee in the absence of Representative Kemmis. He said this law was enacted in 1979. It said no filing fee shall be required and all candidates shall file a non-partisan petition for candidacy. Section 13-14-113 says the number of signatures will equal 5% of the total vote cast for the successful candidate for that office at the last general election but in no case may it be less than five signatures. It would be very difficult for anyone to obtain that many signatures in Great Falls, it would require 455 signatures. It would require a sizeable number of signatures in Missoula, also. In some districts there have bee candidates who run unopposed and they still have to collect signatures.

Representative Kemmis came in at this time but had nothing to add at that moment.

Dick Howell of the Transportation Assistance Bureau of the Department of Community Affairs said in Missoula they would require 700 signatures. He is in favor of the bill.

Representative Kemmis submitted a letter from the Missoula Transportation Board. (See attached Exhibit B.)

No opponents of the bill appeared before the committee.

Senator McCallum then called for questions from the committee.

Senator Ochsner asked what a transportation district was for.

Representative Kemmis said there was a law passed in 1975 for a situation that occurred in Missoula. An urban area outside the city limits wanted a transportation system so they had to set up a special district outside the city limits.

Mr. Howell said one problem is that the urban transit district services larger areas than the community itself. It is a larg district that contains a substantial amount of territory.

Senator Conover asked if this would apply to the Billings Heig area in Billings where they petitioned to run a bus out.

Representative Kemmis said his understanding was that Billings does not have a district under this law.

Al Thelen said they do not go outside the city. They go into the Heights area but not outside city limits. They do have an interlocal agreement.

DISCUSSION OF HOUSE BILL NO. 479: Senator Van Valkenburg aske if we could wait until Tuesday on this bill.

Senator McCallum said we should adopt the amendment if we are going to consider passing the bill.

Senator Conover made a motion to adopt the amendment which provided for an immediate effective date.

The motion carried unanimously.

DISPOSITION OF HOUSE BILL NO. 54: Senator Thomas moved the bill be concurred in.

The motion carried unanimously.

DISPOSITION OF HOUSE BILL NO. 55: Senator Thomas moved the bi be concurred in.

The motion carried unanimously.

DISPOSITION OF HOUSE BILL NO. 58: Senator Van Valkenburg said in the provision on lines 17 and 18 on page 1 the House had changed "or" to "and" and they are saying "otherwise mutually agreed upon." That facilitates annexation to some degree but without providing as much service. Would there be an ordinanc that those people would not be taxed for services not provided.

Debbie Schmidt said that was spelled out in House Bill No. 56 but it does not cover all annexation. If there is an agreement, the taxing would be reduced.

Senator Van Valkenburg said a lot of this is existing law. Is the provision for reduction in taxes for the services not provide spelled out somewhere or just assumed.

Ms. Schmidt said it is assumed. We could repeat the language in this bill that is in House Bill No. 56. It was understood in committee deliberations.

Senator Van Valkenburg said he did not need to amend it then.

Ms. Schmidt said there was not much concern in the House hearings on this.

Senator Conover said if we pass this, it can be changed in two years.

Senator Van Valkenburg said it has been on the books for two years saying "mutually agreed upon." If there has not been a problem in the last two years, we do not need to create one. He is more concerned whether it is clear there will be a reduction in taxes if services are not provided.

Senator McCallum said we could hold this bill until the other annexation bills have been acted upon.

Ms. Schmidt said the other bills won't have much impact on this bill.

Senators Van Valkenburg and Conover agreed.

Senator Thomas moved the bill be concurred in.

The motion carried unanimously.

DISPOSITION OF HOUSE BILL NO. 353: Senator Thomas moved the bill be concurred in.

The motion carried unanimously.

DISPOSITION OF HOUSE BILL NO. 271: Senator Van Valkenburg said he agrees with the amendments.

Senator Thomas moved we adopt the amendments. The motion carried unanimously.

Senator Van Valkenburg moved the bill be concurred in as amended.

ROLL CALL

LOCAL GOVERNMENT COMMITTEE

47th LEGISLATIVE SESSION - - 1981 Date 3/7/81

NAME	PRESENT	ABSENT	EXCUSED
Senator George McCallum	✓		
Senator Jesse O'Hara	✓		
Senator H. W. Hammond			✓
Senator J. Donald Ochsner	✓		
Senator Bill Thomas	✓		
Senator Max Conover	✓		
Senator Fred Van Valkenburg	✓		

Each day attach to minutes.

DATE MARCH 7, 1981

COMMITTEE ON LOCAL GOVERNMENT BILL NO. HB58

VISITOR'S REGISTER

NAME	REPRESENTING	Check One: Support	Oppo
Dave McLaughlin	Mont League C & T	X	
Dennis M. Taylor	City of Helena	X	
Marjorie Davis	LWV of Mt	X	
Bill Palmer	Mt Ass'n of Realtors	X	

(Please leave prepared statement with Secretary)

SENATE COMMITTEE ON LOCAL GOVERNMENT

Date 3/7/81 House Bill No. 58 Time 12:30

NAME	YES	NO
Senator George McCallum	✓	
Senator Jesse O'Hara	✓	
Senator H. W. Hammond	Excused	
Senator J. Donald Ochsner	✓	
Senator Bill Thomas	✓	
Senator Max Conover	✓	
Senator Fred Van Valkenburg	✓	

Gail Stockwell
Secretary, Gail Stockwell

George McCallum
Chairman, GEORGE MCCALLUM

Motion: Senator Thomas moved the bill be concurred in.

(include enough information on motion--put with yellow copy of committee report.)

STANDING COMMITTEE REPORT

March 7 19 83

MR. PRESIDENT

We, your committee on LOCAL GOVERNMENT

having had under consideration HOUSE Bill No. 58

KESSLER (THOMAS)

Respectfully report as follows: That HOUSE Bill No. 58

BE CONCURRED IN

DO PASS

GEORGE MCCALLUM, Chairman.

STATE PUB. CO.
Helena, Mont.

DISPOSITION OF HOUSE BILL 58: Senator Van Valkenburg presented proposed amendments to the committee. (See attached Exhibit A.) The amendments make the provisions apply only to first-class cities.

Senator Van Valkenburg made a motion to adopt the amendments. Th motion carried unanimously.

Senator Van Valkenburg moved the bill be concurred in as amended. The motion carried unanimously.

DISPOSITION OF HOUSE BILL 192: Senator Van Valkenburg said this was something that developers wanted so there would be a more clear definition of what the considerations are so they would have a better understanding of what is required of them.

Senator Thomas said they submitted the bill in its original form. It was amended in the House to come to an agreement with the League of Women Voters. This is a compromise.

Senator Van Valkenburg moved it be concurred in. It is beneficial to developers. The motion carried unanimously.

DISPOSITION OF HOUSE BILL 59: Senator Van Valkenburg moved the bill be not concurred in. This makes annexation more difficult for first-class cities. It would have been fine if HB56 and HB57 had been acceptable.

Senator Conover was opposed, all others voted aye.

There being no further business before the committee, the meeting was adjourned at 1:30 p.m.*

George McCallum
Chairman George McCallum

gs

*Further consideration of HB33 is recorded in the minutes of March 24, 1981, 7:30 p.m.

ROLL CALL

LOCAL GOVERNMENT COMMITTEE

47th LEGISLATIVE SESSION - - 1981 Date 3/26/81

NAME	PRESENT	ABSENT	EXCUSED
Senator George McCallum	✓		
Senator Jesse O'Hara	✓		
Senator H. W. Hammond	✓		
Senator J. Donald Ochsner	✓		
Senator Bill Thomas	✓		
Senator Max Conover	✓		
Senator Fred Van Valkenburg	✓		

Each day attach to minutes.

Exhibit A

AMENDMENTS HB 58

1. Page 1, line 17.
Following: "(2)"
Insert: "in first class cities,"

2. Page 1, line 25.
same amendment

3. Page 2, line 8.
same amendment

4. Page 2, line 16.
same amendment

PROPOSED AMENDMENTS TO HB558

1. Page 3, line 2.
Strike: section 2 in its entirety
Renumber: subsequent sections

2. Page 9, line 3.
Following: line 2
Strike: "5"
Insert: "4"
Following: "through"
Strike: "5"
Insert: "4"

SENATE COMMITTEE ON LOCAL GOVERNMENT

Date 3/26/81 House Bill No. 58 Time 12:15

NAME	YES	NO
Senator George McCallum	✓	
Senator Jesse O'Hara	✓	
Senator H. W. Hammond	✓	
Senator J. Donald Ochsner	✓	
Senator Bill Thomas	✓	
Senator Max Conover	✓	
Senator Fred Van Valkenburg	✓	

Gail Stockwell
Secretary, Gail Stockwell

George M. Callum
Chairman, GEORGE MCCALLUM

Motion: Senator Van Valkenburg moved the bill be concurred in as amended.

(include enough information on motion--put with yellow copy of committee report.)

Pam Williams

STANDING COMMITTEE REPORT

March 26 19 81

MR. PRESIDENT

We, your committee on LOCAL GOVERNMENT

having had under consideration HOUSE Bill No. 58

KESSLER (REGAN)

Respectfully report as follows: That HOUSE Bill No. 58

third reading (blue) copy, be amended as follows:

1. Page 1, line 17.
Following: "(2)"
Insert: "in first class cities,"

2. Page 1, line 25.
same amendment

3. Page 2, line 8.
same amendment

4. Page 2, line 16.
same amendment

And, as so amended, BE CONCURRED IN

~~BE PASSED~~

GEORGE MCCALLUM, Chairman.

STATE PUB. CO.
Helena, Mont.